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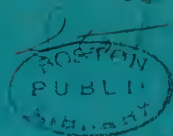
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Annual Report



ADMINISTRATIVE SERVICES DEPARTMENT

WILLIAM ARTHUR REILLY
DIRECTOR

LAWRENCE W. COSTELLO
ADMINISTRATIVE SECRETARY



ANNUAL REPORT
OF THE
ADMINISTRATIVE SERVICES DEPARTMENT
FOR THE YEAR ENDING DECEMBER 31, 1959.

January 4, 1960.

HONORABLE JOHN F. COLLINS,
Mayor of Boston.

DEAR MR. MAYOR:

We are pleased to submit herewith the sixth annual report of the Administrative Services Department for the year commencing January 1, 1959, and ended December 31, 1959, concerning the activities of all divisions and units involved, together with comments and observations made with reference to various studies and policies initiated by the Board in connection with the operation and management of various other city departments.

ADMINISTRATIVE SERVICES BOARD

Under Chapter 3A, Section 2, of the Ordinances of 1953, as amended by Chapter 3, Sections 1 to 8, inclusive, of the Ordinances of 1956, the Administrative Services Board is charged with the administration of the department and consists of the Director of Administrative Services as Chairman, Supervisor of Budgets, Supervisor of Personnel, the Purchasing Agent, the City Auditor, the Collector-Treasurer, and the Assessor. More specifically, under Section 2, Chapter 3A, mentioned above, the Board, and

Boston City Manager
Nov. 11, 1960

more especially the Director, shall be responsible to make, under the Mayor, studies and recommendations with respect to the organization, activities, policies, and procedures of all departments, boards, and offices of the city government, so that the administration thereof shall be economical and efficient.

During the year the Board met formally on ten separate occasions, and various members of the Board met informally on many other occasions to discuss matters of mutual concern. Formal meetings were held at Room 43, City Hall, on the following dates:

January 14	June 10
February 11	July 23
March 11	October 14
April 8	November 12
May 6	December 2

In addition to the above Board meetings, the Director called four meetings of department heads, at which many subjects of an administrative nature were discussed and which were recorded by the Administrative Secretary to the Board. These meetings were held at Room 43, City Hall, with one exception, on the following dates:

January 23
February 25 — Council Chambers
April 23
October 15

His Honor the Mayor, John B. Hynes, called one meeting of department heads on June 5, 1959, at his office to explain changes made in 1959 budget requests, which were also recorded by the Administrative Secretary to the Board.

Department heads meetings have been most helpful in transmitting to department heads information and facts concerning the operations of all city departments, together with information concerning the operations of other large cities throughout the country which have been studied and evaluated by Board

members but, more especially, the Director, who has made it a practice to keep up to date on administrative improvements placed in operation by other large cities. This has resulted in department heads securing a general knowledge of what is transpiring, not only within the confines of our own city government, but outside as well.

In 1958 the Director initiated a policy of issuing information bulletins and memoranda from time to time, and the establishment of this policy has met with the approval of department heads and such civic agencies to which pertinent memoranda and bulletins were issued. Subjects contained in the above-mentioned memoranda and bulletins issued in 1959 are listed herewith:

MEMORANDA

- No. 1 — A summary of 1958 State Legislation having reference to the City of Boston and brief reference to 1959 budget estimates.
- No. 2 — A compilation of personnel facts on permanent city positions and procedures concerning the awarding of contracts without advertising.
- No. 3 — Interpretation of Rule 10 of the Compensation and Classification Plan.
- No. 4 — To county officers — procedures concerning the awarding of contracts without advertising.
- No. 5 — Amended procedures concerning the awarding of contracts without advertising.
- No. 6 — Travel pattern survey of city employees in connection with our planning of the new City Hall facilities and location.
- No. 7 — Space requirements and equipment needs for the new City Hall in connection with Becker and Becker Associates' Study and Survey.
- No. 8 — Information manuals.

- No. 9 — Vacation schedules — physical examinations.
- No. 10 — Physical examinations prior to both permanent and temporary employment.
- No. 11 — Interview schedules for departments by Becker and Becker Associates for space requirements for the new City Hall.
- No. 12 — Safety measures in daily operations.
- No. 13 — General information on city affairs.
- No. 14 — Personnel statistics — home improvement list — city employees' handbook.
- No. 15 — Fourth Annual Conference on Municipal Administration.
- No. 16 — Notice of final date for filing petitions for new legislation.

INFORMATION BULLETINS

- No. 1 — Finding list for City of Boston certificates, licenses, permits, and various services.
- No. 2 — Summary of selected activities and accomplishments of various city departments during the year 1958.
- No. 3 — New telephone directory covering city departments, boards, commissions, service divisions, schools, and courts.
- No. 4 — Postal delivery zone numbers and post office locations, together with telephone numbers.
- No. 5 — A catalogue of public and private urban renewal projects, developments, and prospects for the City of Boston.
- No. 6 — Table of information regarding compensation scales.
- No. 7 — Some 1959 tax rate factors and county budget statistics with city and county budget statistics.
- No. 8 — Selected comparative statistics of the city and county (not including schools), 1950-58 — assessment summaries of real prop-

erty over a ten-year period and tax rate computations for the same period — city employees' handbook.

The above memoranda and bulletins contain a varied assortment of statistics, facts, and information which were both instructive and informative and which should be of particular interest to the new administration in securing an over-all picture of the activities and aims of the Board during the past year.

In reviewing the above memoranda, bulletins, board meetings, department heads meetings, it might be well to include herewith a few pertinent remarks concerning their contents.

Library, Parks and Recreation, Public Works, and Traffic Departments reduced personnel in their 1959 budgets to conform to the "White Paper Agreement" with reference to the number of permanent employees.

Net change in the number of permanent city employees indicated a decrease of 162, or approximately 1 per cent, between the period of November 1, 1957, and January 1, 1959, exclusive of the School Department. Net decrease in permanent employees between the period of November 1, 1957, and January 1, 1960, was 463, or a net decrease in 1959 of 301.

In view of unnecessary delays experienced in awarding contracts without advertising, a new procedure was placed into effect whereby requests for permission to award are now sent directly to the Chief Clerk of the Mayor's Office (an original and eight copies), who, in turn, forwards same to the Supervisor of Budgets and City Auditor for certification as to the availability of funds, and forwards a copy to the Finance Commission for review prior to presentation to the Mayor for approval. This new procedure has worked out most satisfactorily.

In accordance with an interpretation of Rule 10 of the Compensation and Classification Plan, as approved by Mayor Hynes on January 20, 1959, all

permanent employees with twenty-five or more years' service shall be compensated on promotion in the maximum salary grade to which he or she is being promoted, exclusive of fire and police uniformed forces, hospital nursing personnel, etc., which employees are covered by other plans. It was the feeling of Board members, and especially Mayor Hynes, that employees having at least twenty-five years of service should not be obliged to wait three or four years in attaining their maximum salaries upon promotion. A travel survey was conducted, in addition to a space utilization survey, in connection with requirements for a new City Hall, and the results of these surveys were utilized by Becker and Becker Associates in determining space requirements and other factors relating to the possible site of a new City Hall and the location of the various departments involved.

Vacation schedules were established in each department and copies of same were forwarded to the Personnel Division. This resulted in more centralized control and informed department heads just when certain individuals would be absent during the summer months, so that arrangements could be made to have complete coverage of departmental operations at all times.

All city employees, whether temporary or permanent, are now required to undergo physical examinations prior to entering the employ of the city. It was found that some department heads were lax in following this procedure, and it was necessary to bring the matter to the attention of all department heads in order to correct several situations which resulted in employees being eligible for workmen's compensation after being employed for short periods of time.

A safety first directive was issued to all department heads and county officials covering various types and conditions that should be observed and corrected in everyday operations.

The Finding List, compiled for City of Boston certificates, licenses, permits, and services, contains information not readily available elsewhere and has been most valuable to department heads and employees in answering questions concerning various city services and where they may be obtained.

Information Bulletin No. 2 contains a summary of selected activities and accomplishments of various city departments during the year 1958, both in tabular arrangement and narrative form. The purpose of compiling this summary was to inform the Mayor, in condensed form, of some of the major accomplishments and achievements for the year 1958, which would not have been summarized for him until sometime later in the year when the annual reports are compiled and issued by the various departments.

The new telephone directory, designated as Bulletin No. 3, contains telephone listings of all city departments, boards, commissions, service divisions, schools, and courts, in addition to emergency telephone numbers and many noncity services to which city personnel have occasion to refer from time to time in their daily duties. This directory has proven most helpful as a quick reference and should be revised and brought up to date at least once a year.

Information Bulletin No. 4 contains zone numbers of postal districts within the Boston and Boston metropolitan areas, and was compiled mainly for the purpose of expediting mail deliveries. This document has also proven most helpful to stenographers and typists when addressing mail to the districts involved, which, in turn, facilitates the processing of mail by the Post Office Department.

As many department heads were unaware of the many public and private urban renewal projects, both under construction and under consideration, it was felt that a cataloguing of these various projects

would keep department heads informed as to what was being done and what was being planned for the future.

A table of information regarding compensation scales of the Commonwealth and other cities and towns in Massachusetts served a useful purpose when department heads were giving consideration to the never-ending pressure for pay raises. In many classification-compensation scales, it was indicated that our employees are the highest paid; in other categories we met the average salaries for specified ratings, and in others we were below the compensation paid by some other Massachusetts cities and towns for specified jobs. All positions and classifications could not possibly be compared, however, because we have some titles and compensations which many of the smaller cities do not have.

Tax rate factors and city and county budget statistics were compiled by the Budget Division in conjunction with the City Auditor and the Assessor. The facts contained in this bulletin were most informative and enlightening and should be of exceptional value to city officials in making comparisons in the future.

Section 1 of Bulletin No. 8, assembled from various sources by the Budget Division, contains comparative tables of total receipts and expenditures during the past ten years, with some components separately tabulated and some other pertinent statistics added. Section 2 of Bulletin No. 8, compiled by the staff of the Equalization Survey Committee, summarizes assessments on real property over a ten-year period and tax rate computations for the same period.

Section 3 of Bulletin No. 8 is a handbook for Boston city employees, the first official document of this character ever published in the history of the city, and was compiled by this department at the suggestion of the Director. This booklet is a convenient reference manual to answer many questions asked frequently by many city employees. As this was our

initial endeavor to compile an employees' manual and as sufficient time was not afforded to go into detail on many matters, it will be necessary to revise and issue a revised manual at some later date, containing many other phases of employee administration which we failed to include in the original document.

BOARD MEETINGS

As many of the information bulletins and memoranda were a result of discussions held at Board meetings, there is no need of repeating them here. However, some of the other items discussed are of sufficient importance to include them herein in tabular form.

A) Collection of rentals on city-owned properties. There appeared to be some duplication of effort in the collection of said rentals, with both the Collecting Division of the Treasury Department and the Real Property Department collecting rentals, which resulted in confusion when balancing the books and retaining proper controls. It was resolved to commit all collections to the Collector-Treasurer, and this new procedure has eliminated the previous confusion and created a more businesslike method of handling the situation.

B) The subject of postage meters for use in the Main Library, the Hospital Department, and the School Department was taken up on several occasions with a view to reducing postage costs in these three departments and relieving the Treasury Department of the responsibility of supplying loose stamps and perforating such stamps before issuance. The Library Department is now utilizing a postage meter, but the School and Hospital Departments have failed, up to the present time, to initiate this new procedure, claiming they do not have sufficient space to set up a Central Mailing Unit, which they intend to establish in connection with their postage meter operations. We are hopeful that the matter can be resolved in

the near future in order that uniformity in postage and mailing operations will eventually become a reality in all city departments.

C) Steady improvements in City Printing Plant operations have been the result of Board deliberations over the past five years, as is evidenced in the Annual Reports for those years. Last year consideration was given to a further improvement by eliminating individual appropriations for printing and office and stationery supplies. Although billings by the Printing Section for city departments have been reduced from twelve to two annually, it was felt that individual appropriations might be eliminated in the same manner as *City Record* appropriations were eliminated previously. However, definite action has not been taken on this new concept for the reason that it would require an amendment to the present ordinance and, in the event a sales tax were enacted, the distribution may be tied in with certain city operations for which the city would not receive the benefit of income if the present system of billing were abolished. It was the thinking of the Board that when and if the sales tax is enacted, it would be proper at that time to consider the feasibility of requesting the school and county departments to utilize the Printing Plant for all their printing requirements. This procedure would tend to reduce costs for printing by both agencies, would eliminate individual appropriations, would increase production at the Printing Plant, and would reduce to a minimum the tremendous amount of paper work presently required to advertise and requisition printing from outside agencies, which has been the practice for a great many years.

D) A Remington-Rand control was established and is now maintained in the Buying Unit of the Purchasing Division, covering the physical inventory of all valuable equipment in the city government, and is being kept up to date by amending existing records

as changes are made. This is the first time since W.P.A. days that an inventory of this character has been established.

E) Excise tax bills. Due to difficulties experienced in the past several years in securing prompt submission of required information from the Registry of Motor Vehicles for the processing of Excise Tax Bills, a suggestion of this Board to improve the situation was adopted by the Registry Division this year and will go into effect when applications for 1960 registrations are made. The new concept includes the addition of a stub or carbon copy to the present form, which will be forwarded to the city or town concerned. This new system will be helpful in eliminating some of the discrepancies which were brought to the attention of the Registrar the early part of the year, and will enable the cities and towns throughout the Commonwealth to process and mail excise tax bills more promptly and with less chance of error.

F) Since the installation of the Univac, the City Auditor has been increasing the number of functions that ordinarily would be accomplished by manual labor and, as reference to the additional functions now applying to the Univac will be contained in the Auditor's Report, further reference is omitted herein.

G) During the latter part of 1958 a new process was adopted in the processing of poll tax bills, whereby the former practice of sending bills out to those sixty-five years of age and over, who, under the law, are eligible for abatements, was discontinued. Commitments are now made to the Collector-Treasurer for the total amount involved, and abatements are made automatically without requiring individuals to call at the Hall to secure the same.

H) Unrealistic valuations on tax-exempt properties was another subject of several discussions which brought out the fact that we are actually using a fictitious percentage figure when claiming that 36 per cent of the total properties in Boston are tax exempt,

whereas the true percentage figure is probably closer to 27 per cent or somewhere in that vicinity. A case in point was the valuation placed on the land and buildings comprising the City Hall Annex, namely, \$12,028,000, whereas it has been estimated by expert appraisers that the possible sale of both properties on today's market would only bring in between \$3,000,000 and \$4,000,000. It has been the practice of street men for a great many years to disregard the placing of new values on tax-exempt property and to use the same valuations each year without giving any consideration to depreciation, obsolescence, or true market value. This matter was brought to the attention of the Assessor, but, in view of the many other duties of street men which will receive priority this year, it is doubtful that this phase of operations will be undertaken until 1961. In all probability, the number of new tax-exempt properties now being added to the tax rolls, or being contemplated, will offset the inequities that exist in this particular type of property at the present time.

I) A new procedure was adopted this year by the Assessor in the processing of veterans' abatements. Applications were forwarded to all eligible veterans, with an addressed envelope enclosed, for the return of the application together with the veteran's certificate of eligibility. After receipt of the application and certificate of eligibility, the amount of the abatement was endorsed as a credit on his tax bill before mailing and indicated the net amount due. Under this new procedure, the veteran is not obliged to make at least two trips to City Hall, as he was obliged to do in the past, the issuance of refund checks has been eliminated, the veteran's monthly mortgage payments have been reduced, and the amount of paper work involved previously has been substantially decreased.

J) A suggestion was offered to consider the feasibility of working out some system whereby Blue Cross-Blue Shield deductions could be made on a

weekly basis rather than on a monthly basis, as it was pointed out that an employee receiving \$84.75 a week, which is a high average, has a take-home pay of approximately \$60 once a month, and this tends to create a hardship on many employees, especially those in the lower salary categories. The main objection to this idea was voiced by the City Auditor, who claimed that a changeover to weekly deductions would require the services of at least six additional employees and, in view of the fact that the city receives no fee from the Blue Cross-Blue Shield organization for the collecting service involved, the city would be obliged to bear the added expense.

K) Utilization of advertising plates on metered mail was initiated this year, although recommendations have been made previously. This advertising medium has proven to be valuable and most inexpensive in the popularizing of major city attractions such as the Arts Festival, the Mayor's Field Day, the Christmas Festival, etc.

L) Emergency telephone calls outside of regular working hours created much discussion and deliberation on several occasions, but nothing definite was decided upon. It was brought out that the Fire, Police, and Hospital Departments and the Water Division of the Public Works Department presented no problem, but to contact other city departments in case of emergency outside of regular hours was difficult and, in many cases, impossible. A 24-hour service was suggested, but it was believed that such a system would require the services of at least two additional operators, and this was not considered feasible. A phone-answering service was also suggested, with the thought in mind that home telephone numbers of responsible department and division heads be supplied in order that contacts might be made for the correction at the earliest possible moment of any serious mishaps that might be detrimental to the health and safety of the public.

M) The filing of annual reports, which is required under Section 24, Chapter 3, of the Revised Ordinances of 1947, was a subject of lengthy discussion at several meetings, including department heads meetings, because of the laxity of certain departments in filing reports until a year or two after the year for which the report was compiled. It was pointed out that by the time certain reports were compiled and printed they were of little value except to the departments concerned. The Mayor, naturally, was unaware of much of this important information at the time when it would have been most useful. Periodic checks were made during the year with all city departments to accelerate this ordinance requirement, with the result that annual reports were submitted at an earlier date last year than at any time in the past quarter of a century.

N) At the recommendation of the Board and approval of the Mayor, all city employees, including emergency and provisional appointees, are now obliged to take physical examinations before they are hired. Prior to this ruling, emergency and provisional employees were appointed without a physical examination, and this resulted in the city being obliged to pay workmen's compensation to certain temporary or provisional employees who would report "sick" for a lengthy period of time shortly after they had been hired. In many cases it was difficult to prove that such individuals' sickness was existent prior to or on the date of their appointment, and, therefore, the city was liable to pay workmen's compensation for many months or until such time as such individuals had completely recovered. Although all departments under the control of the Mayor are governed by this new procedure, we have been experiencing some difficulty in having county and cafeteria employees in the School Department comply. County officials and the School Department have been requested to cooperate, but have been reluctant to do so up to the present time. When and if some of these employees hired during the past year are

obliged to apply for workmen's compensation, they might find that the Law Department will have found some legal basis for not honoring such applications.

O) Mimeograph operations at the Printing Plant have not been working out satisfactorily, and a suggestion was made to transfer this function to City Hall, either in the office of the Machine Repair Unit or some other suitable location. The advantages of transferring mimeograph operations to the Hall are threefold, namely:

- 1) Elimination of high production costs. (The appointment of a female operator at a salary commensurate with that paid for such operations in private industry as against salaries now being paid to members of the Typographical Union, whose duties should be devoted to machinery of a more highly technical character, would result in substantial savings.)
- 2) Production would be speeded up considerably. (At the present time if a union member at the Printing Plant is working on another machine, mimeograph operations are delayed.)
- 3) The proximity of a Central Mimeograph Unit to the Hall and Annex, with a full-time operator available at all times, would be an incentive for all departments in the Hall and Annex to take advantage of this service and utilize mimeograph production in many cases where printing is requested at the present time.

The above suggestion was not acted upon for the reason that sufficient space was not available in the Office Machine Repair Unit and, secondly, because the hiring of an additional permanent employee would be contrary to the provisions of the "White Paper Agreement."

P) At the recommendation of the Board, a general inventory was compiled by the Purchasing Division covering office machines and equipment, office furniture, and automotive equipment. This information was transferred to IBM key punch cards and, as changes are made in various categories, cards are amended accordingly, thereby resulting in an up-to-date inventory control of all such items. The inventory does not include hospital or library equipment up to the present time, but it is intended to review these reports and possibly incorporate them into the central control.

Q) A new telephone system was installed with the thought in mind of eliminating as many private phones as possible and reducing outside calls to a minimum. A three-digit dialing system for reaching departments and individuals throughout the city government was inaugurated, thereby decreasing the number of operators necessary to handle business calls. The positions of two operators were eliminated through retirement, and it is believed that eventually there will be no need for operators to handle intercity departmental calls.

R) With a view to reducing paper work, saving time, and expediting delivery of minor items which are purchased individually in small lots during the course of a year, a recommendation was made to review all 1960 budgets for the purpose of ascertaining the various types of similar materials being requested by various departments. By following this procedure it would then be possible to purchase such materials in larger lots at lower costs. To improve on this procedure it was also recommended that consideration be given to the setting up of a revolving fund for the purchasing of items costing \$25 or less, which would result in additional savings of paper work and time. As it was felt that certain complications might arise in the event such procedures were adopted without giving consideration to the ordinances and other factors that might be involved from

a budgetary standpoint, it was the consensus that action on both matters should be delayed and given further study during the year 1960.

As a result of the revision of Boston's credit rating by Moody's Investor Service from A to BAA, the City Auditor prepared and issued a most interesting and informative document, under date of November 12, 1959, entitled "Boston's Credit," which, because of its importance, is being incorporated herein.

BOSTON'S CREDIT

Boston's credit rating, recently revised by Moody's Investors Service from A to BAA, is another indication of the general awareness of the serious and complex financial problem facing the city. In their analysis of the reasons for their action, Moody's states that a ranking problem concerns high government expense intensified by a near-steady decline in the tax base, resulting in a high tax rate which has become distinctly onerous. In addition, Moody's analysis alleges that comparatively little progress has been made in counteraction to urban deterioration, and the city's economy has been declining due to population shifts and the development of industrial centers outside the New England area, and, of more importance, the new industrial development which has taken place in the metropolitan area, particularly on the perimeter of the city along Route 128.

The effect of this change in credit rating might mean a possible increase of one quarter of 1 per cent in interest costs on future borrowings and a possible narrowing of the market for Boston bonds.

While there can be general agreement with these facts and while a down-grading in credit rating is serious, the situation is not as serious as it might first appear. The financial structure of the city is essentially sound and there certainly is no danger of any default of any municipal obligation. The tax collection record is satisfactory, with 86.376 per cent of the 1959 levy collected as of November 6, 1959. The debt picture is sound. In 1959 Boston will have paid off \$17,990,000 of long-term debt and will issue this month \$5,800,000, meaning that the direct funded debt will have been reduced this year by \$12,190,000. Of the gross funded debt of the city, amounting to \$158,390,500 as of October 31, 1959, \$55,893,500 — representing rapid transit and traffic tunnel debt — is completely covered by sinking fund reserves. Very important to note is the fact that this sinking fund debt is graded AA. For the remaining general obligation city debt in the amount of \$102,497,000, there are

sinking fund reserves of approximately \$3,650,000. There are loans authorized but not issued amounting to \$64,087,000, of which \$5,800,000 will be issued this month, and \$5,837,000 of which will probably never be issued. There is no precise method of determining how much debt a municipality can carry. In general, debt-paying capacity must be gauged by the amount and quality of the municipality's resources. For practical purposes, the assessed valuations on real and personal property, which provide the major source of revenue, must be considered the tangible resources of the city. On this basis the ratio of the net debt of the city, i.e., debt which has been issued for which there is no sinking fund reserve and for which the funds for redemption must be appropriated in the tax levy, to the total assessed valuations is approximately 6.75 per cent. On the basis of population, Boston's per capita debt is \$136. In the same issue of Moody's Bond Survey wherein was reported the analysis of Boston's lowered credit standing, a report was made concerning a bond issue of Wake County, North Carolina, rated AA. The comparable figures of Wake County were 7.8 per cent, the ratio of debt to assessed valuations, and \$100 per capita debt. On this comparative basis, Boston rated BAA compares very favorably with Wake County rated AA.

Boston's short-term debt picture is also very good. In 1959 Boston issued \$55,000,000 of short-term debt in anticipation of tax revenues. These notes were to be paid off as follows: November 2, 1959 — \$15,000,000; November 3, 1959 — \$20,000,000; November 4, 1959 — \$15,000,000; and November 5, 1959 — \$5,000,000. Interest on these borrowings amounted to \$543,770.42. On November 2, 1959, there was on deposit in New York banks all of the funds needed for the payment of this debt and interest, and at the same time there was on deposit in Boston banks approximately \$50,000,000 to finance the city for the balance of the year. No more short-term borrowings will be needed in 1959, and it is extremely likely that Boston will not be in the market until February, 1960, for any more short-term loans. There will be no outstanding short-term loans at the end of this fiscal year to be carried over into 1960. Unquestionably, the 1957 funding loan legislation is accomplishing the purpose for which it was conceived — the stabilization of the city's finances. Provisions of this legislation, initiated by city financial officials, plugged up loopholes which had contributed in the past to some of the city's financial difficulties.

Boston's basic resources are still tremendous. The largest city in New England and the hub of a metropolitan area containing sixty-five municipalities with a population of more than 2,500,000, Boston is the commercial, financial, and service center for a metropolitan area which ranks sixth in the United States. The supply center of retail trade throughout most of the New England area and upper New York State, the capital

city of the Commonwealth is the marketing and distributing point for the densely populated and highly industrialized area. Possessor of one of the best natural seaports on the east coast and one of the best situated airports of any major city in the country, Boston is the terminus of three trunk-line railroads and eight major air transport systems. Boston's educational and medical institutions are known throughout the world. Rich in culture and historical tradition, the city has attractions for conventions that few other cities possess.

Boston's future is bright. The effect of the efforts of the Massachusetts Port Authority to rebuild the port has not yet been realized because of the short time the Authority has been in existence. A tremendously valuable natural resource, the port of Boston will bring in trade and commerce to the economic advantage of the entire area. The airport expansion program, also under the direction of the Massachusetts Port Authority, will contribute to the realization of economic potentialities. The new construction planned for downtown Boston will change the face of the city. The Prudential Center, of which the new municipal auditorium will be a part, is one of the largest private projects ever undertaken in the United States. The government center will stabilize values in a section of the city sorely in need of rehabilitation. There has been considerable major construction in the city, some of it completed within the past two years and more under construction. To name a few of the projects: the Boston *Globe* building, the *Herald-Traveler* building, the Travelers Insurance building, the Liberty Mutual building, the IBM building, the Remington-Rand building, the Blue Cross-Blue Shield building, the George Robert White Fund building, the Graybar Electric building, and many other lesser projects. All of this construction represents the investment of millions of dollars. Certainly this indicates confidence in the future of Boston. The construction of the second vehicular traffic tunnel under Boston Harbor, estimated to cost \$29,000,000, is under way. The opening of the Southeast Expressway-Central Artery link is another major step forward in the economic progress of the city.

True, many serious problems face the city. They all can and will be solved. The sincere cooperation of civic organizations, private citizens and our suburban residents is most necessary. The economic health and welfare not only of the metropolitan area but also of the entire New England area depends upon the economic health and welfare of Boston. Let the apostles of doom change their tune and face instead the bright prospects which lie ahead.

Be optimists! Don't sell Boston short!

JOSEPH P. LALLY,
City Auditor.

November 12, 1959.

DEPARTMENT HEADS MEETINGS

Department heads meetings, presided over by the Director in all cases with the exception of one, were held on an informal basis, with each department head being given an opportunity to present any problems with which he might be faced for general discussion among the official cabinet. This procedure worked out very satisfactorily, with many ideas and suggestions being advanced for the over-all improvement of municipal operations.

Some of the major subjects discussed are listed herewith:

1. City budgets
2. Sales tax
3. Salary increases for police and fire personnel through legislative action
4. Personnel studies and costs
5. Pension costs
6. Abuses of overtime pay and sick leave
7. White Paper agreement
8. Retirement laws
9. Inventories — various
10. Ten-year achievement report
11. Space survey study for new City Hall, including travel routes study of city employees
12. Annual reports
13. 1958 and 1959 Legislation pertaining to the City of Boston
14. General salary increases for city employees
15. The ordering of services or materials by telephone
16. Anti-Litter Campaign

17. Mayor's Field Day
18. Veterans' real estate tax abatements
19. Equalization survey
20. City Hospital operations
21. Printing Plant operations
22. M. T. A. deficit
23. County expenditures
24. Fire Prevention Code
25. Finding List of licenses and permits
26. City employees' handbook
27. Urban renewal matters
28. United Fund Campaign
29. Government Center discussions
30. West End development
31. Incinerator installation
32. Civic Auditorium
33. Conferama on Municipal Administration

ADMINISTRATIVE DIVISION

This division was established mainly for the purpose of carrying out the policies and directives of the administration, of the Director of Administrative Services, and the Administrative Services Board. Its functions are varied and numerous and are all facets of municipal administration. The more important accomplishments of the division for the year 1959 are listed herewith:

1. Minutes of all Board meetings have been compiled and copies supplied to each member.
2. The Fourth Conferama on Municipal Administration was organized and conducted, and a report is at present being prepared for publication.

3. Eight information bulletins and sixteen memoranda were compiled and distributed among city departments, to which reference was made earlier in this report.
4. Direct supervision of the equalization survey study, as delegated to this division, was continued and completed by December 31, with the return of the Senior Administrative Analyst to his regular duties.
5. Surveys and reports from other departments and from some outside agencies were reviewed and channeled through this division.
6. The annual report of the department, together with the annual report of the Public Safety Commission, were compiled by this division, and annual reports from other departments were reviewed for the purpose of eliminating duplications in reporting.
7. Several reports on the "White Paper Agreement" were prepared prior to the termination of the agreement under date of March 31.
8. Minutes of all department heads meetings have been compiled and distributed to department heads and to the press.

In view of the Director's added duties as chairman of various committees to which the Administrative Secretary has been assigned as secretary, the following additional work, consisting of the recording of the minutes and the distribution of copies of same to the various committee members, has been performed for the following committees and commissions:

- a) Equalization Survey Committee and Mayor's Realty Advisory Committee
- b) Government Center Commission
- c) Public Safety Commission
- d) South Station Garage Committee
- e) Urban Renewal Coordinating Committee

The resulting coordination of current information, gained by active participation in the above committee work, has proven to be of real value in resolving matters concerned with over-all administration.

BUDGET DIVISION

This division, as you know, is responsible for the assembling and compiling of the annual and supplementary budgets after careful studies have been made on each individual request for funds. The preparation of the annual budget is a time-consuming operation, which commences in December of a given year and continues until final Council approval is secured by the first Monday in April. During the balance of the year, analysts are occupied with various surveys and studies pertaining to departmental operations, with a view to improving efficiency in the matter of disbursing funds allocated.

Budget analyzing during the past year has resulted in a decrease in the number of permanent employees, recommended decreases in certain categories for the 1960 budget, and a more systematic approach to performance budgeting. Much more should be done, however, but this will take considerably more time than was anticipated when the performance budget was adopted in 1955.

The screening of purchase requisitions, requisitions for transfer of funds, and requests for permission to award contracts have been given special attention during the past year and have resulted in the elimination of the former practice of overbuying, overspending, and the awarding of contracts with insufficient funds being allocated for the purpose.

PERSONNEL DIVISION

The administration of the city and county compensation and classification plans, personnel procedures, and statistics have been maintained by this division in an efficient manner.

A final monthly report in connection with the so-called White Paper of 1957 was submitted to the Director as of March 31, 1959.

Subsequent monthly reports showing the number of employees working and the number of existing vacancies, by department, were compiled and submitted to the Director. Quarterly reports, indicating the total number of employees working, were also prepared for comparisons with previous periods.

The punch card system established in 1958 for the purpose of correlating personnel records of individual employees was discontinued for the time being, due to the difficulty and inconvenience in arranging for the punching of the cards and other operations involving the system. The Remington-Rand machines are located in the Auditing Department, and, after an extended trial period, it was determined that the information expected from the cards could be obtained more quickly by the use of the routine personnel record system of the division.

Many inquiries were received from other cities and agencies for comparative salary rates and employee benefits. All such requests were answered and the desired information provided. In this connection a new file was set up in the division to provide, as much as possible, immediate statistical information when required.

A reprint of the Compensation and Classification Plans for City of Boston Employees (Document 39-1959) was completed. There were so many amendments to the plans as printed in Document 36-1958 that it became necessary to print an up-to-date document.

The Classification and Compensation Plans for the Officers and Employees of Suffolk County is also being reprinted (Document 40-1959). This is the first reprint of the original Document 57-1952 and is made necessary by the many amendments to this plan as originally established.

COMPLAINTS DIVISION

This division has been rendering exceptional service to the public at a minimum cost since its establishment in 1954. Prior to its establishment, there was no central agency to which the public could turn for the registering of complaints, and, many times, complaints were directed to the incorrect agency with the result that little or no action was ever taken by the department or agency contacted. This condition has been rectified and complaints now receive immediate attention and are followed through to final adjudication.

The system of processing complaints has been improving each year, cooperation among departments has been excellent, and, although its services might be expanded to include a Central Information and Public Relations Bureau, it is not considered feasible at this time as it would require the hiring of additional personnel and the relocating of the division in a more permanent area on the first floor in City Hall, where facilities at the present time are just not available. Plans are being made, however, for such an agency in the new City Hall, where space has been allocated on the first floor of the proposed new structure.

Some of the more important complaints registered concerned defective sidewalks and roadways; violations of the Building, Fire, and Housing Codes; clogged catch basins, removal of snow, and sanding of slippery streets. Many complaints were received regarding dilapidated buildings throughout the city, many of which were razed through the cooperation of John A. Murray, the Director of Demolition and Restoration. Owners of other structures, which could not be legally razed, were requested to make repairs, and many who did not comply were taken into court by the Building Department.

Our reference to the possible expansion of the functions of this division prompts us to mention that, as a result of publicity received when the

division was established, many requests for information concerning the city, such as its hotels, motels, and historic points of interest, were received and handled to the best degree, considering that no funds were available for the publication of suitable pamphlets or booklets by the city. We were obliged to secure literature from the Chamber of Commerce and the Boston Hotel Association, which agencies were most cooperative when and if they had the required literature on hand. We are hopeful that this unusual procedure will be abolished as soon as an opportunity presents itself to enlarge the division, locate it in a more accessible area, and secure the funds necessary to operate a first class Complaints and Public Relations Division.

PURCHASING DIVISION

During the past year the Purchasing Division has been improving its inventory control of office furniture and office equipment, which was inaugurated in 1958. This new inventory control should serve a dual purpose during the coming year — namely, it will relieve all departments from the responsibility of retaining individual records of equipment and it will be an important source of information for the equipment consultants, who are to make a survey of present equipment and new equipment requirements in connection with the construction of a new City Hall.

The repairing of old office furniture at Deer Island for replacement has been a real money-saving device and has precluded the necessity of purchasing many items of new furniture when requests from departments are submitted.

The over-all purchases for the year amounted to \$10,000,000, covering in the vicinity of some 20,000 individual requisitions which required processing and final action.

OFFICE MACHINE REPAIR UNIT

This is the fourth year this unit has been in operation, and it has proven that it is not only a money-saving agency but has rendered a service with which outside firms could not compete. During the year, 2,059 inspections on typewriters were made, consisting of cleaning, oiling, and minor repairs. There were 749 emergency calls answered for repairs requiring immediate attention. The cost for this service, in the event the city entered into contracts with outside firms, would be in the vicinity of \$19,000. The cost of operations for the unit during the past year was \$9,035, which includes the salaries of two technicians; in other words, a savings of \$9,965 was realized.

Services to departments included all those located in the City Hall and Annex, the old and new Court Houses, the Public Welfare Department on Hawkins street, the Health Department in Haymarket square, the Law Department at 11 Beacon street, the Printing Section on North street, the Parks and Recreation Department at 33 Beacon street, and the Veterans' Graves and Veterans' Services Departments, located at 14 State street and 18 Cornhill, respectively. Other departments remote from the City Hall area send in their broken machines to the shop and pick them up when repaired, via truck.

On short notice the unit equipped an office with typewriters from the typewriter pool for the Inaugural Committee and for the Christmas Basket Fund group during December. The typewriter pool itself deserves mention here, as it has loaned many machines throughout the year for replacements and has saved the cost of renting machines, which adds to the savings mentioned above. Twenty machines were condemned as being worn or damaged beyond economical repair, and these damaged machines will be traded in when the city is obliged to purchase new machines.

PRINTING SECTION

The Printing Section is one of the many organizational units, all of whose appropriations make up the over-all budget compiled for the City of Boston. With the performance of its primary mission, service to all other departments, the analogy ends, and the anomaly begins.

The Printing Section operates under an appropriation which is estimated in anticipation of orders from other city departments, whether or not each department uses its prerogative and orders from the Printing Section instead of from outside suppliers.

The costs of such operation cover the paper stock, printing materials, various and sundry supplies, in addition to the maintenance of the printing equipment on an efficient basis. The operation of the Printing Section is carried on in a business-like manner, taking advantage of all improved methods of production and printing, and during the year 1959 demonstrated a savings of 16 per cent as compared with the year 1956, the first year the Addressograph equipment was utilized.

BUDGET ITEM	1956	1959	Decrease
Personal Services. . . .	\$571,274.26	\$543,490.01	\$27,784.25
Contractual Services. . .	149,572.56	84,474.18	65,098.38
Supplies and Materials	129,224.43	90,525.08	38,699.35
Current Charges and			
Obligations.	3,588.35	641.98	2,946.37
Equipment.	1,753.54	681.82	1,071.72
	<hr/>	<hr/>	<hr/>
	\$855,413.14	\$719,813.07	\$135,600.07

The Printing Section not only is required to operate within the limitations of its own budget without jeopardizing the efficiency of operating methods, but it must also seek out new methods or diversification of old processes which will ultimately reflect in the reduced costs of other organizational units.

The following tabulation is submitted as concrete evidence of reductions effected in printing costs of

the four departments that have received greatest benefits from the standardization of forms, and the installation of the Addressograph-Multigraph process:

DEPARTMENT	Number of jobs		1956	1959
	1956	1959	Billing	Billing
Assessing.....	133	78	\$10,371.00	\$11,549.20
Election.....	133	106	133,104.05	69,886.20
Police.....	231	227	101,600.24	84,718.25
Treasury.....	140	125	12,758.34	5,566.00

The decrease in the number of jobs was accomplished through the standardization of forms. The increase in the Assessing Department figure is explained by the fact that \$8,000 of this total is the charge for printing the poll tax bills, lists, and commitments, a service we were not equipped to perform for the Assessing Department in 1956.

Supplemental benefits enjoyed by these departments include a statistical count of total persons in each ward and precinct; bursting and separation of poll tax forms; \$30,000 annual savings to the Police Department by the adoption of a recommended preprinted card form used by the police officer in resident listing; annual savings of \$20,000 in overtime charges through the use of these 500,000 cards prepared from previous listing.

We are constantly seeking to expand our horizons of operations in order to increase our volume without compromising our avowed object of reducing operating costs.

The 16 per cent reduction in costs since 1956 has been accomplished in the face of step-rate increases, promotional increases, and other increases granted to our union-member employees, a resulting average of 19.9 per cent. In January, 1956, the average salary was \$90.18, compared to an average salary of \$107.60 in January, 1960.

We shall continue on the program of attrition by not replacing employees who have terminated employment in the Printing Section.

ART COMMISSION

The activities of the Art Commission for the year embraced the following services:

- a) A new bronze sword for the Shaw Memorial (carried over from the 1958 budget).
- b) Shoring up of the Shaw Memorial to prevent further damages.
- c) Replacing missing parts on the White Memorial Clinic fountain.
- d) A photographic record was made of all city-owned property in charge of the Art Commission.

This commission, in cooperation with the Park Commission, has met repeatedly in consultation on the project to beautify the Mall along the Tremont Street side of the Common and approved the design for the water feature and plaza opposite West street; in addition, a portrait bust of Alice Stone Blackwell was also approved for presentation by the Boston League of Women Voters to the Boston Public Library.

SUMMARY

This is the sixth year that the Administrative Services Department has been functioning under the general reorganization of the city government, which took place in 1954. We have endeavored, during this time, to modernize municipal operations, to keep informed as to how other large cities in the country are solving mutual problems, to increase efficiency in government and to decrease or eliminate expenditures wherever possible or feasible. We believe we have made some real progress in the right direction, but, nevertheless, there is much more to be accomplished, and we can only hope that those who will be responsible for future operations, after some of us have taken our leave with the advent of the new administration, will review our past achievements with a view to reaching some of the goals to which we aspired.

In addition to being Chairman of the Administrative Services Board, our Chairman has had the privilege of serving as Chairman on four other boards or committees, namely, the Equalization Survey committee, the Urban Renewal Coordinating Committee, the Public Safety Commission and the South Station Garage Committee, and as a member of the Government Center Commission, which was activated the latter part of 1958. This has afforded us an opportunity to receive the benefit of his diversified activities in municipal operations, which were most helpful in our deliberations.

We are keenly aware of the tremendous task ahead and trust you will convey to the new members of the Board our sincere and best wishes for success in their future endeavors.

WM. ARTHUR REILLY, *Chairman*,
 JOHN V. MORAN, *Purchasing Agent*,
 JOSEPH P. LALLY, *City Auditor*,
 DUNCAN T. FOLEY, *Supervisor of Personnel*,
 JAMES E. GILDEA, *Collector-Treasurer*,
 JOHN G. PICKETT, *Supervisor of Budgets*,
 EARLE R. BARNARD, *Assessor*.

LAWRENCE W. COSTELLO,
Administrative Secretary.

